

760 IAC 1-52-6 Annual compilation

Authority: IC 27-1-33-11

Affected: IC 27-1-33-8; IC 27-1-33-9

Sec. 6. (a) The insurer shall contract with a certified public accountant for an annual compilation of each managing general agent with which it contracts. The compilation shall include the following:

- (1) A report by an independent certified public accountant.
- (2) A balance sheet.
- (3) A statement of income.
- (4) A statement of cash flows.
- (5) A statement of income and retained earnings.
- (6) Verification by the management of the insurer, under oath, of the amount of gross direct written premium for the previous calendar year.

(b) The insurer shall retain a copy of the annual compilation conducted under subsection (a) for each managing general agent with whom the insurer has a contract.

(c) The department of insurance may accept an audit prepared by a certified public accountant in place of the compilation.

(d) A managing general agent may be examined by the department of insurance as if it were an insurer, and the managing general agent shall bear the costs of any such examination.

(e) The department of insurance shall retain authority to examine a managing general agent notwithstanding termination of the managing general agent's contractual authority with an insurer. (*Department of Insurance; 760 IAC 1-52-6; filed Feb 4, 1994, 5:00 p.m.: 17 IR 1092; readopted filed Sep 14, 2001, 12:22 p.m.: 25 IR 531; readopted filed Nov 27, 2007, 4:01 p.m.: 20071226-IR-760070717RFA*)